
Financial Review Process



Purpose

The primary purpose of the financial reviews is to ensure that grants funds are spent in accordance with the Grant Terms, OMB Circulars, Federal Laws and Statutes.

Financial Review Team

- **John Stubbs, Manager**
- **Lisa Blocker, Tax Analyst**
- **Daisy Dopson, Tax Analyst**
- **Veronica Washington, Tax Analyst**



Who We Are

A team of financial reviewers who conduct compliance reviews of organizations that have been awarded TCE (Tax Counseling for the Elderly) and/or VITA (Volunteer Income Tax Assistance) grant funds for tax preparation during the filing season.



What We Do

The Financial Review Process consists of a review of financial management systems, policies, records and documentation to help assess the grantee's adequacy and compliance with grant provisions and federal requirements.



Single Audit vs. Financial Review

The Single Audit is an organization-wide audit that focuses on the grantee's internal controls and compliance with laws and regulations governing federal awards.

The Financial Review is limited and focuses on the grantee's financial management systems, policies, records and documentation to help assess their capabilities of managing grant funds and their adherence to the grant terms, applicable cost principles and laws and regulations pertaining to the grant.



Phases of Financial Review

The Review Process consists of three phases:

1. *Pre-visit* Phase
2. *On-site* Phase
3. *Post-visit* Phase

Pre-visit Phase

- **Send a letter to the grantee requesting an a appointment**
- **Once response is received, a mutually-agreed upon date is set**
- **An Information Document Request is sent with the initial letter showing what items will be needed for the review**

On-site Visit

- **Conduct the interview, usually with the persons most knowledgeable about the organization's activities and operations.**
- **Begin the review. Time frames can vary depending on the grant amount, level of documentation, etc.**

Cost Principles

Establishes standards for federal agencies to provide a uniform approach for determining the allowability of costs.

Source Documentation

2 CFR 215.21- Accounting records including cost accounting records that are supported by source documentation.

OMB Cir A-102 Subpart C Section 20(6)- Accounting records must be supported by such source documentation as cancelled checks, paid bills, payroll, time and attendance records, contract and sub-grant award documentation.



Source Documentation for Cash Contributions

- Documentation showing cash received (sources, deposit)
- Documentation showing cash outlays (payrolls, invoices, cancelled checks, etc)
- Evidence of volunteer services (time and effort reports)

Documenting Third Party In-kind Contributions

- **Name and signature of donor**
- **Detailed description of item/service**
- **Date of Receipt**
- **Value of contribution:**
 - How value was determined**
 - Who made the determination**
- **General Ledger record (FASB 116)**



Post-Site Phase

- **Further discussion and/or information may be needed.**
- **An initial report is prepared and issued showing any adjustments along with any findings and recommendations.**
- **A final closing letter is issued.**

Questions?

**Thank You
and
Have A Great
Filing Season**

